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Central Intelligence Bulletin

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30 September 1969

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Approved For Release 2003/03/28 : CIA-RDP79T00975A014600100001-8

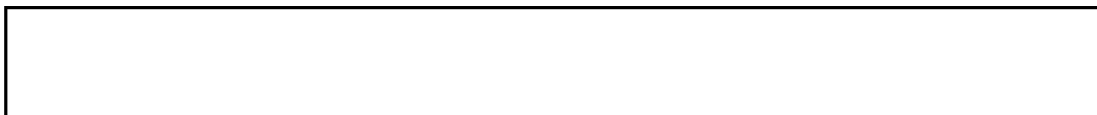
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Czechoslovakia: The central committee plenum last weekend set the stage for a thoroughgoing purge of party, state, and social organizations.

In his speech to the session on 25 September party chief Husak said the action would be completed before the end of the year. Husak emphasized that the most important task will be the purge of liberals from local party organizations.

The primary mechanism to be used will be a re-issuance of party cards; this probably means that many rank and file members will be expelled. On higher levels, the purge in fact has already begun. In addition, the party will concentrate on regaining control of education, science, art, and culture, fields which have been dominated by liberals or moderates. Substantial changes have also been made in the federal government and in Bohemia and Moravia. A new Slovak government may be appointed shortly.

While instituting this program, Husak has been able to forestall holding political trials. He warned, however, that he will not tolerate open opposition and threatened legal measures against "anti-socialists" who break the law. The ultraconservatives will probably take advantage of this to try again to force recantations from deposed liberals. If they succeed, Husak will be under pressure to arrest and make examples of at least some of last year's leaders.

Husak still stopped short of personally justifying last year's invasion. Nevertheless, his speech and the passage of a committee resolution condoning the invasion probably were well received in Moscow.



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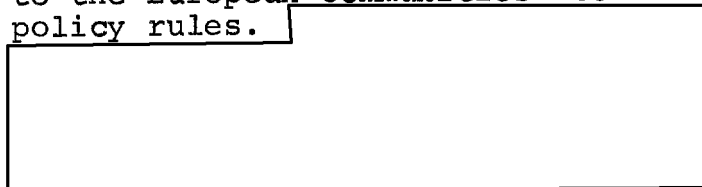
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West Germany: The government decision to permit the exchange rate of its currency to float could have the dual effect of dampening speculation and buying time until the new government is established.

Without a guaranteed, fixed exchange rate, speculation on revaluation of the mark has become much more risky. Indeed, its rate may be subjected to some downward pressure initially if present holders of speculative balances sell them off. The longer term trends of supply and demand, however, probably will tend to push the rate moderately higher until the Bundesbank decides to "peg" its currency again at some fixed rate.

For a period billed as "temporary," but nevertheless indeterminate, the Deutsche Bundesbank will no longer intervene in the foreign exchange markets to maintain the mark within fixed limits. It could intervene, however, in order to stabilize the markets.

In a related move, the government has announced increased reserve requirements against foreign-owned mark deposits in German banks. It also has pledged to apply compensatory measures to ensure that any exchange rate fluctuations that do occur will not affect those German agricultural interests subject to the European Communities' common agricultural policy rules.



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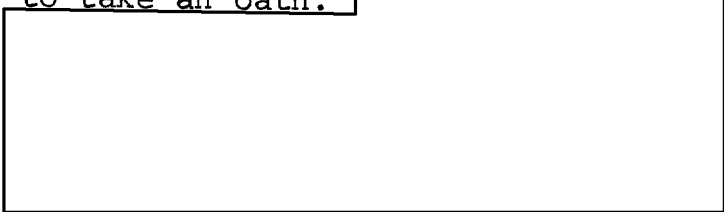
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Kenya: The government has expressed its disapproval of press coverage of the current wave of oath-taking among the dominant Kikuyu tribe.

Three prominent journalists, all British citizens holding posts on the two major English language dailies that have been reporting extensively on the oaths, have been deported. The government's sensitivity probably indicates the deep involvement of the ruling clique from the Kikuyu tribe, and perhaps even President Kenyatta himself, in instigating the ceremonies. The newspaper accounts had made untenable the government's stand that no oath-taking was occurring.

Press reports plus widespread rumors have heightened tribal tensions by raising the specter of the bloody Mau Mau uprising of the 1950s. At that time, Kikuyu leaders exploited traditional oath-taking to ensure the unity and support of their fellow tribesmen. Although the recent ceremonies have so far lacked the more terrorist overtones of the Mau Mau era, the Kikuyu again are swearing their complete loyalty to the tribe. They are coercing not only their fellow tribesmen into oath-taking, but also members of neighboring tribes. The newspapers gave prominent play to stories that a Kikuyu Christian minister had died of a beating after he had refused to take an oath.



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